

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re :
: **Chapter 11**
SEARS HOLDINGS CORPORATION, *et al.*, :
: **Case No. 18-23538 (RDD)**
: **(Jointly Administered)**
Debtors.¹ :
-----X

**AFFIDAVIT AND DISCLOSURE STATEMENT OF PAUL E. WHITE,
ON BEHALF OF POSTERNAK, BLANKSTEIN & LUND LLP**

STATE OF MASSACHUSETTS)
) s.s.:
COUNTY OF SUFFOLK)

Paul E. White, being duly sworn, upon his oath, deposes and says
as follows:

1. I am a Partner of Posternak, Blankstein & Lund, LLP, located
at 800 Boylston Street, 32nd Floor, Boston, MA 02199 (the “**Firm**”).

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); SHC Licensed Business LLC (3718); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); Sears, Roebuck de Puerto Rico, Inc. (3626); SYW Relay LLC (1870); Wally Labs LLC (None); SHC Promotions LLC (9626); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Sears Brands Business Unit Corporation (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); and Sears Brands Management Corporation (5365). The location of the Debtors’ corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179.

2. Sears Holdings Corporation and its debtor affiliates, as debtors and debtors in possession in the above-captioned chapter 11 cases (collectively, the “**Debtors**”), have requested that the Firm provide _____ legal _____ services to the Debtors, and the Firm has consented to provide such services (the “**Services**”).

3. The Services include, but are not limited to, the following: To be retained for the special purpose of resuming our prosecution of litigation in Massachusetts state court on behalf of Sears in the case of Sears v Altaquip, Suffolk Superior Court (Business Litigation Session), Case No. 2015-03145-BLS1 (hereafter “the litigation”), as well as for the special purpose, from time to time, of providing unrelated real estate advice and other specialized advice to Sears. If successful, the litigation should produce a recovery to the benefit of the estate of over \$1.5M. The Firm may have performed services in the past and may perform services in the future, in matters unrelated to the scope of this engagement, for persons that are parties in interest in the Debtors’ chapter 11 cases. As part of its customary practice, the Firm is retained in cases, proceedings, and transactions involving many different parties, some of whom may represent or be claimants or employees of the Debtors, or other parties in interest in these chapter 11 cases. The Firm does not perform services for any such person in connection with these chapter 11 cases except as provided for herein. In addition, the Firm does not have any relationship with any such person, such person’s attorneys, or such person’s accountants that would be adverse to the Debtors or their estates with respect to the matters on which the Firm is to be retained except as described herein.

4. Neither I, nor any principal of, or professional employed by the Firm has agreed to share or will share any portion of the compensation to be received from the Debtors with any other person other than principals and regular employees of the Firm.

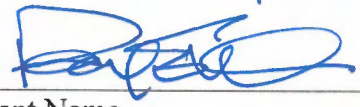
5. Neither I nor any principal of, or professional employed by the Firm, insofar as I have been able to ascertain, holds or represents any interest materially adverse to the Debtors or their estates with respect to the matters on which the Firm is to be retained.

6. As of this date, the Firm and the law firm of Arent Fox LLP ("AF") have agreed to merge effective January 1, 2019, which merger will result in the Firm becoming the Boston office of AF and therefore my joining AF as a partner. In connection with this disclosure, I have made an inquiry of AF's connections with this chapter 11 case. AF represents Darden Restaurants, Inc. ("Darden") in connection with these proceedings. Darden owns or operates restaurants at four locations which are leased and/or licensed from Sears: Norridge, Illinois; Marion County, Indiana; Harrisburg, Pennsylvania; and Roanoke, Virginia. AF is presently providing and is expected to continue providing legal advice to Darden in connection with this chapter 11 case, specifically with respect to the four locations noted above. After making the inquiry, to the best of my knowledge and the knowledge of AF and Debtors' counsel, none of the legal services which the Firm is being asked to provide to the Debtors conflicts with or will otherwise be affected by any of the legal services being rendered by AF on behalf of Darden. The Firm's proposed representation of the Debtors in connection with the specific matters described herein has been disclosed separately to Darden and we are awaiting confirmation from Darden that it consents to the proposed representation. If any waivers are required under the applicable rules of professional conduct, I will seek the appropriate conflict waivers from the Debtors and Darden. In particular, I believe that the matters on which I and my firm are expected to provide legal representation to the Debtors involve wholly unrelated locations, and wholly unrelated facts and law. In the event that a potential conflict appears during the course of this engagement, I will promptly notify the Debtors and supplement this disclosure accordingly and take any additional and necessary action to adequately address any conflict.

7. As of the commencement of this chapter 11 case, the Debtors owed the Firm
\$ 79,374.34 in respect of prepetition services rendered to the Debtors.

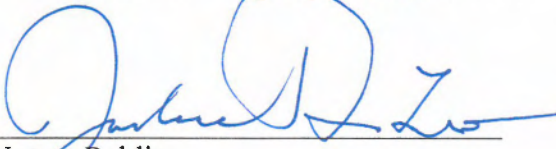
8. The Firm is conducting further inquiries regarding its retention by any
creditors of the Debtors, and upon conclusion of this inquiry, or at any time during the period of
its employment, if the Firm should discover any facts bearing on the matters described herein, the
Firm will supplement the information contained in this Affidavit.

Pursuant to 28 U.S.C. §1746, I declare under penalty of perjury under the laws of
the United States of America that the foregoing is true and correct, and that this Affidavit and
Disclosure Statement was executed on December 17, 2018, at Boston, MA.

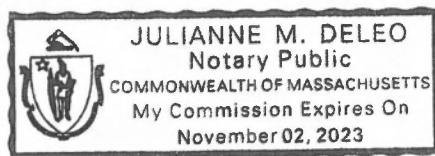


Affiant Name

SWORN TO AND SUBSCRIBED before
Me this 17th day of December, 2018



Notary Public



**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

-----X	
In re	:
	:
	: Chapter 11
SEARS HOLDINGS CORPORATION, <i>et al.</i>,	:
	:
	: Case No. 18-23538 (RDD)
	:
Debtors.¹	: (Jointly Administered)
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RETENTION QUESTIONNAIRE

TO BE COMPLETED BY PROFESSIONALS EMPLOYED by Sears Holdings Corporation and its debtor affiliates, as debtors and debtors in possession (collectively, the “**Debtors**”).

All questions **must** be answered. Please use “none,” “not applicable,” or “N/A,” as appropriate. If more space is needed, please complete on a separate page and attach.

1. Name and address of professional:

Paul E. White, Esq., Posternak Blankstein & Lund LLP, 800 Boylston

Street, 32nd Floor, Boston, MA 02110

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); SHC Licensed Business LLC (3718); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); Sears, Roebuck de Puerto Rico, Inc. (3626); SYW Relay LLC (1870); Wally Labs LLC (None); SHC Promotions LLC (9626); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Sears Brands Business Unit Corporation (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); Kmart.com LLC (9022); and Sears Brands Management Corporation (5365). The location of the Debtors’ corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179.

2. Date of retention: 2/1/18 (I previously represented Sears at my prior firm
before joining Posternak on 2/1/18)
3. Type of services to be provided:
Litigation services and legal advice.
4. Brief description of services to be provided:
The Services include, but are not limited to, the following: To be retained for the
special purpose of resuming our prosecution of litigation in Massachusetts state
court on behalf of Sears in the case of Sears v Altaquip, Suffolk Superior Court
(Business Litigation Session), Case No. 2015-03145-BLS1 that seeks to recover
over \$1.5M for the estate, as well as for the special purpose, from time to time, of
providing unrelated real estate advice and other specialized advice to Sears.
5. Arrangements for compensation (hourly, contingent, etc.):
Hourly

(a) Average hourly rate (if applicable): \$375.00

- (b) Estimated average monthly compensation based on prepetition retention (if company was employed prepetition):

\$20,000

6. Prepetition claims against the Debtors held by the company:

Amount of claim: \$ 79,374.34

Date claim arose: 7/1/18 – 10/14/18 (pre-petition legal services)

Nature of claim: Legal services rendered

7. Prepetition claims against the Debtors held individually by any member, associate, or employee of the company:

Name: None

Status: Not applicable

Amount of claim: \$ Not applicable

Date claim arose: Not applicable

Nature of claim: Not applicable

8. Disclose the nature and provide a brief description of any interest adverse to the Debtors or to their estates for the matters on which the professional is to be employed:

None known

However, please note: As of this date, the Firm and the law firm of Arent Fox LLP (“AF”) have agreed to merge effective January 1, 2019, which merger will result in the Firm becoming the Boston office of AF and therefore my joining AF as a partner. In connection with this disclosure, I have made inquiry of AF’s connections with this chapter 11 case. AF presently represents Darden Restaurants, Inc. (“Darden”), which owns a number of restaurants which lease space from the Debtors. AF is presently providing and is expected to continue providing legal advice to Darden in connection with this chapter 11 case and we are seeking appropriate waivers from Darden

concerning our continued representation of Sears. After making inquiry, to the best of my knowledge and the knowledge of AF, none of the legal services which the Firm is being asked to provide to the Debtors will otherwise be affected by any of the legal services being rendered by AF on behalf of Darden. In the event that a potential conflict appears during the course of this engagement, I will promptly notify the Debtors and supplement this disclosure accordingly.

9. Name and title of individual completing this form:

Paul E. White

Dated : December 17, 2018